

Appropriation Account 2023

Vote 1

President's Establishment

Introduction

As Accounting Officer for Vote 1, I am required each year to prepare the appropriation account for the Vote, and to submit the account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2023 for the salaries and expenses of the Office of the Secretary General to the President, for certain other expenses of the President's Establishment and for certain grants.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2023, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €892,000 is liable for surrender to the Exchequer.

The statement of accounting policies and principles and notes 1 to 5 form part of the account.

Statement of accounting policies and principles

The standard accounting policies and principles for the production of appropriation accounts, as set out by the Department of Public Expenditure, National Development Plan Delivery and Reform in circular 22 of 2023, have been applied in the preparation of the account. The following exception applied.

Heritage assets

Heritage assets of the President's Establishment are not valued as assets in these financial statements. The assets include furniture and works of art. They have the characteristics of being inalienable, irreplaceable and fragile and consequently there is no useful purpose in capitalising the assets in these statements.

Statement on internal financial control

Responsibility for system of internal financial control

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the President's Establishment.

This responsibility is exercised in the context of the resources available to me and my other obligations as Secretary General of the Department of the Taoiseach. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

Shared services

I have fulfilled my responsibilities in relation to the requirements of the service management agreement between the President's Establishment and the National Shared Services Office (NSSO) for the provision of human resources, financial management and payroll shared services.

I rely on a letter of assurance from the Accounting Officer of the Vote for the National Shared Services Office that the appropriate controls are exercised in the provision of shared services to the President's Establishment.

Financial control environment

A control environment comprising the following elements is in place.

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- There is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.
- Procedures for all key business processes have been documented.
- There are systems in place to safeguard the assets.

Administrative controls and management reporting

A framework of administrative procedures and regular management reporting is in place, including segregation of duties and a system of delegation and accountability, and in particular, that

- there is an appropriate budgeting system with an annual budget which is kept under review by senior management
- there are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts
- a risk management system operates within the President's Establishment
- there are systems aimed at ensuring the security of the ICT systems
- there are appropriate capital investment control guidelines and formal project management disciplines.

Internal audit and Audit Committee

The President's Establishment comes within the remit of the internal audit function provided by the Department of the Taoiseach which has appropriately trained personnel and operates under a written charter which I have approved. The internal audit work is informed by analysis of the financial risks to which the President's Establishment is exposed and aims to cover the key controls on a rolling basis over a reasonable period. The internal audit function and its programme of work are subject to periodic review by me and by the Audit Committee, which operates under the auspices of the Department of the Taoiseach.

There were four meetings of the Audit Committee in 2023 and the audit work programme agreed in 2022 was implemented in 2023.

Procurement

The President's Establishment ensures that there is an appropriate focus on good procurement practice in the award of all contracts and that procedures are in place to ensure compliance with all relevant guidelines.

Expenditure on goods and services, including the cost of contracted-in staff, amounted to a total of €823,000 in 2023.

There were no contracts that exceeded the reporting threshold of €25,000 that were awarded without a competitive process. As required by circular 40/2002, a 'nil' return was submitted to the Comptroller and Auditor General and the Department of Public Expenditure, National Development Plan Delivery and Reform.

Risk and control framework

The President's Establishment has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing the President's Establishment and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated on a quarterly basis by the Management Board. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff.

Ongoing monitoring and review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to the Management Board, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

Review of effectiveness

The President's Establishment has procedures to monitor the effectiveness of its risk management and control procedures. In 2023, monitoring and review of the effectiveness of the system of internal financial control by the President's Establishment was informed by the work of the internal and external auditors and the senior management within the President's Establishment responsible for the development and maintenance of the internal financial control framework.

Internal financial control issues

No weaknesses in internal financial control were identified in relation to 2023 that require disclosure in the appropriation account.

John Callinan
Accounting Officer
President's Establishment

8 March 2024

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 1 President's Establishment

Opinion on the appropriation account

I have audited the appropriation account for Vote 1 President's Establishment for the year ended 31 December 2023 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 1 President's Establishment for the year ended 31 December 2023, and
- has been prepared in the form prescribed by the Minister for Public Expenditure, National Development Plan Delivery and Reform.

Basis of opinion

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the President's Establishment and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on the statement on internal financial control, and on other matters

The Accounting Officer has presented a statement on internal financial control together with the appropriation account. My responsibilities to report in relation to the information in the statement, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Seamus McCarthy

Comptroller and Auditor General

7 June 2024

Appendix to the report

Responsibilities of the Accounting Officer

The Accounting Officer is responsible for

- the preparation of the appropriation account in accordance with section 22 of the Exchequer and Audit Departments Act 1866
- ensuring the appropriation account complies with the requirements of the Department of Public Expenditure National Development Plan Delivery and Reform's *Public Financial Procedures*, and with other directions of the Minister for Public Expenditure National Development Plan Delivery and Reform
- ensuring the regularity of transactions, and
- implementing such internal control as the Accounting Officer determines is necessary to enable the preparation of the appropriation account free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the appropriation account and to report thereon to the Houses of the Oireachtas stating whether, in my opinion, the account properly presents the receipts and expenditure related to the vote.

My objective in carrying out the audit is to obtain reasonable assurance about whether the appropriation account is free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the appropriation account.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the appropriation account whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I assess whether the accounting provisions of the Department of Public Expenditure National Development Plan Delivery and Reform's *Public Financial Procedures* have been complied with.

I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the appropriation account to be readily and properly audited, or
- the appropriation account is not in agreement with the accounting records.

Reporting on the statement on internal financial control

My opinion on the appropriation account does not cover the Accounting Officer's statement on internal financial control, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the appropriation account, I am required under the ISAs to read the statement on internal financial control and, in doing so, consider whether the information contained therein is materially inconsistent with the appropriation account or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement, I am required to report that fact.

Reporting on other matters

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I am required to report under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I am also required under the 1993 Act to prepare, in each year, a report on such matters arising from my audits of the appropriation accounts as I consider appropriate. In such cases, the audit reports on the relevant appropriation accounts refer to the relevant chapter(s) in my annual *Report on the Accounts of the Public Services*.

Vote 1 President's Establishment

Appropriation Account 2023

		2023	2022
	Estimate provision	Outturn	Outturn
	€000	€000	€000
Programme expenditure			
A President's Establishment	3,410	2,816	2,536
B Centenarians' Bounty	1,764	1,507	1,293
Gross expenditure	5,174	4,323	3,829
<i>Deduct</i>			
C Appropriations-in-aid	83	124	110
Net expenditure	5,091	4,199	3,719

Surplus

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer.

	2023	2022
	€	€
Surplus to be surrendered	892,344	1,030,629

John Callinan
Accounting Officer
President's Establishment

8 March 2024

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2023

	2023	2022
€000	€000	€000
Programme cost	1,441	1,246
Pay	2,141	1,909
Non pay	741	674
Gross expenditure	4,323	3,829
<i>Deduct</i>		
Appropriations-in-aid	124	110
Net expenditure	4,199	3,719
Changes in capital assets		
<i>Property, plant and equipment</i>		
<i>(note 2.1)</i>		
Depreciation	8	8
Changes in net current assets		
(Increase) in inventories	(49)	
Decrease in prepayments	36	
(Decrease) in accrued expenses	(45)	
	(58)	27
Direct expenditure	4,149	3,754
Expenditure borne elsewhere		
Net allied services expenditure	5,303	4,858
<i>(note 1.1)</i>		
Net programme cost	9,452	8,612

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 1 borne elsewhere.

		2023	2022
		€000	€000
Vote 7	Office of the Minister for Finance	—	12
Vote 12	Superannuation and Retired Allowances	698	762
Vote 13	Office of Public Works	2,368	2,163
Vote 18	National Shared Services Office	312	72
Vote 20	Garda Síochána	233	229
Vote 28	Foreign Affairs	174	110
Vote 36	Defence	496	486
Vote 43	Office of the Government Chief Information Officer	60	64
Central Fund: emoluments and allowances of the President and pensions of former presidents		962	960
		5,303	4,858

Note 2 Statement of Financial Position as at 31 December 2023

	Note	2023 €000	2022 €000
Fixed assets			
Property, plant and equipment	2.1	9	17
Total fixed assets		9	17
Current assets			
Bank and cash		106	67
Inventories	2.2	87	38
Prepayments		27	63
Accrued income		4	4
Other debit balances		2	1
Total current assets		226	173
Less current liabilities			
Accrued expenses	2.3	39	84
Other credit balances	2.4	69	61
Net Exchequer funding	2.5	39	7
Total current liabilities		147	152
Net current assets		79	21
Net assets		88	38
Represented by:			
State funding account	2.6	88	38

2.1 Property, plant and equipment

	IT equipment €000	Total €000
Gross assets cost or valuation		
At 1 January 2023	43	43
At 31 December 2023	43	43
Accumulated depreciation		
At 1 January 2023	26	26
Depreciation for the year	8	8
At 31 December 2023	34	34
Net assets		
At 31 December 2023	9	9
At 31 December 2022	17	17

2.2 Inventories

at 31 December	2023	2022
	€000	€000
Centenarian medals	87	38
	87	38

2.3 Accrued expenses

at 31 December	2023	2022
	€000	€000
Administration expenses	39	46
Other accruals	—	38
	39	84

2.4 Other credit balances

at 31 December	2023	2022
	€000	€000
Amounts due to the State		
Income tax	32	29
Pay related social insurance	17	14
Universal social charge	7	6
Pension contributions	5	4
Withholding tax	1	—
	62	53
Payroll deductions held in suspense	7	8
	69	61

2.5 Net Exchequer funding

at 31 December	2023	2022
	€000	€000
Surplus to be surrendered	892	1,031
Exchequer grant undrawn	(853)	(1,024)
Net Exchequer funding	39	7
Represented by:		
Debtors		
Bank and cash	106	67
Debit balances: suspense	2	1
	108	68
Creditors		
Due to the State	(62)	(53)
Credit balances: suspense	(7)	(8)
	(69)	(61)
	39	7

2.6 State funding account

	Note	2023	2022
		€000	€000
Balance at 1 January		38	73
Disbursements from the Vote			
Estimate provision	Account	5,091	
Surplus to be surrendered	Account	(892)	
Net vote		4,199	3,719
Expenditure (cash) borne elsewhere	1.1	5,303	4,858
Net programme cost	1	(9,452)	(8,612)
Balance at 31 December		88	38

2.7 Commitments

at 31 December	2023	2022
	€000	€000
Procurement of goods and services	271	101

Note 3 Vote Expenditure

Analysis of administration expenditure

Administration expenditure set out below has been apportioned across the programmes, to present complete programme costings.

		2023		2022
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	2,314	2,141	1,909
ii	Travel and subsistence	310	103	104
iii	Training and development	40	16	7
iv	Professional, consultancy and other services	225	173	185
v	Operating expenses	228	317	270
vi	Asset and equipment expenses	260	42	32
vii	Premises and accommodation expenses	9	4	2
viii	Communications expenses	104	86	74
		3,490	2,882	2,583

Significant variations

The following outlines the reasons for significant variations in expenditure from the amount provided (+/- 25% and €100,000).

ii Travel and subsistence

Estimate provision €310,000; outturn €103,000

A shortfall in expenditure of €207,000 arose as domestic and international travel was less than originally envisaged. Expenditure in this area is slowly building back up to pre Covid-19 levels.

vi Asset and equipment expenses

Estimate provision €260,000; outturn €42,000

There was a shortfall in expenditure of €218,000. The estimate provided for investment to replace the current Lotus Notes system. Progress on the project was delayed as a result of competing business priorities. The project is to be progressed in 2024.

Programme A President's Establishment

		2023		2022
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A.1	Administration – pay	2,249	2,078	1,864
A.2	Administration – non pay	1,161	738	672
		3,410	2,816	2,536

Programme B Centenarians' Bounty

		2023		2022
		Estimate provision	Outturn	Outturn
		€000	€000	€000
B.1	Administration – pay	65	63	45
B.2	Administration – non pay	15	3	2
B.3	Centenarians' bounty	1,684	1,441	1,246
		1,764	1,507	1,293

Significant variations

The following outlines the reasons for significant variations in non-administration programme expenditure (+/-5% and €100,000).

B.3 Centenarians' bounty

Estimate provision €1.684 million; outturn €1.441 million

Overall, the expenditure in relation to Programme B was €243,000 lower than provided because there were fewer centenarians than provided for. 514 centenarian bounties were paid out in 2023 and approximately 609 were provided for. Spend in this area is demand lead.

Note 4 Receipts**4.1 Appropriations-in-aid**

		2023		2022
		Estimated	Realised	Realised
		€000	€000	€000
1	Receipts from additional superannuation contributions on public service remuneration	78	89	79
2	Miscellaneous	5	35	31
Total		83	124	110

Note 5 Staffing and Remuneration

5.1 Employee numbers

Full time equivalents	2023	2022
Number of staff at year end	<u>29</u>	<u>24</u>

5.2 Pay

	2023	2022
	€000	€000
Pay	1,910	1,721
Higher, special or additional duties allowances	60	52
Overtime	25	20
Employer's PRSI	146	116
Total pay	<u>2,141</u>	<u>1,909</u>

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2023	2022
			€	€
Higher, special or additional duties allowances	6	3	22,728	21,136
Overtime	13	—	7,246	5,835

Note No member of staff received additional payments in more than one category.

5.4 President's Establishment staffing by pay bands

The number of employees of the President's Establishment whose total employee benefits (including basic pay, allowances, overtime; excluding employer PRSI, employer pension costs) for the financial year fell between €20,000 and €59,999 and within each band of €10,000 from €60,000 upwards are as follows.

Pay bands (€)		Number of employees	
From	To	2023	2022
20,000	59,999	18	16
60,000	69,999	3	3
70,000	79,999	1	3
80,000	89,999	1	—
90,000	99,999	1	2
100,000	109,999	1	—
110,000	119,999	2	1
120,000	129,999	—	—
130,000	139,999	1	1
200,000	209,999	—	1
210,000	219,999	1	—

5.5 Remuneration and benefits of Accounting Officer

The Accounting Officer for Vote 1 President's Establishment is also the Accounting Officer for Vote 2 Department of the Taoiseach. His salary level is disclosed in the Appropriation Account for Vote 2.